

NOWALSKY, BRONSTON & GOTHARD

A Professional Limited Liability Company

Attorneys at Law

Leon L. Nowalsky

Benjamin W. Bronston

Edward P. Gothard

3500 North Causeway Boulevard

Suite 1442

Metairie, Louisiana 70002

Telephone: (504) 832-1984

Facsimile: (504) 831-0892

Monica Borne Haab

EllenAnn G. Sands

Bruce C. Betzer

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**BY OVERNIGHT DELIVERY**

Executive Secretary

Tennessee Regulatory Authority

460 James Robertson Parkway

Nashville, Tennessee 37243

00-01094

RE: Notification of Prepackaged Bankruptcy Purchase Agreement  
By and Among LS Communications, Inc. and Columbia  
Telecommunications, Inc. d/b/a Axessa

Dear Sir/Madam:

On behalf of LS Communications, Inc. ("LS") and Columbia Telecommunications, Inc. d/b/a Axessa ("Axessa"), this letter is to advise the Commission of a Prepackaged Bankruptcy Purchase Agreement (the "Agreement") whereby all existing shares of issued and outstanding Axessa stock will be cancelled and ownership of the business of and corporation known as Axessa will be transferred to LS and LS will become the sole shareholder of Axessa (the "Acquisition").<sup>1</sup>

**The parties are forwarding this letter to the Commission for informational purposes, to be included in the appropriate files. The parties will proceed on our understanding that no approval or other formal action is required by the Commission prior to consummation of the proposed transaction.**

The practical effect of the Agreement will be the transfer of ownership of Axessa to LS with LS becoming the sole shareholder of Axessa. All of the issued and outstanding shares of Axessa stock will be cancelled and new stock will be issued in the name of LS. After the transaction, Axessa will continue to operate as it currently operates, but will become a wholly owned subsidiary of LS. The technical, managerial and financial personnel of LS, in addition to various current Axessa employees, will become the

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<sup>1</sup> All existing shares of issued and outstanding Axessa stock will be cancelled and new shares will be issued in the name of LS.

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technical, managerial and financial personnel of Axessa after this transaction. Axessa will continue to operate as a regulated entity pursuant to its present certifications, registrations, tariff requirements and rate structures and the transaction will be transparent to Axessa's customers.

The Agreement will be beneficial to the involved companies as well as their customers, due to the combination of LS' financial strength and the telecommunications assets, including customers of Axessa, which will result from the transaction. The transaction will ensure that there is no interruption in service to the present customers of Axessa. The Agreement will not in any way be detrimental to the public interests of this state. The customers of Axessa will continue to receive the same high quality service presently rendered to them, and there will not be any increase in their rates due to this transaction.

Axessa is a privately held Delaware corporation with principal offices located at 1340 Poydras Street, Suite 350, New Orleans, Louisiana 70112. Axessa is a non-dominant carrier that provides intrastate, interstate and international long distance and local exchange services. Axessa is authorized by the FCC to provide interstate and international services as a non-dominant carrier as well as local and intrastate interexchange service, pursuant to certification, registration or tariff requirements in nine (9) states. Axessa is a certificated carrier in this state.<sup>2</sup>

LS is a privately held Delaware corporation with principal offices located at 3003 Lakeland Cove, Suite C, Jackson, Mississippi 39208. LS does not possess any federal or state authorizations to provide telecommunications services.

After the transaction, Axessa will continue to operate as it currently operates, but will be a wholly owned subsidiary of LS. Axessa will continue to operate as a regulated entity pursuant to its present certifications, registrations, tariff requirements and rate structures and the transaction will be transparent to Axessa's customers. The Acquisition will be seamless and transparent to the customers of Axessa. The transaction will ensure that there is no interruption in service to the customers of Axessa. As a result, the customers of Axessa will in no way be adversely impacted by the Acquisition.

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<sup>2</sup> Axessa provides telecommunications services pursuant to authority granted in Docket No. 99-00410 dated 10/12/99.

The parties submit that the Acquisition will accomplish the following:

- (a) The ownership of Axessa will be transferred to LS;
- (b) The shares of issued and outstanding Axessa stock will be cancelled and new shares will be issued in the name of LS;
- (c) Axessa will continue to operate as a regulated entity pursuant to its present certifications, registrations, tariff requirements and rate structures as provided by and pursuant to applicable law as a wholly owned subsidiary of LS.

Critical to the Acquisition is the need to ensure the continuation of high quality service to all customers currently served by Axessa. The Acquisition will serve the public interest for the following reasons:

- (a) First, it will enhance the operating efficiencies, including market efficiencies, of the combined companies.
- (b) Second, it will increase the appeal to present and potential customers as communications services will be provided in a more cost-effective manner due to greater buying power and lower transport costs.
- (c) Finally, it will allow the combined companies to provide a broader array of services to customers at competitive prices.

Accordingly, the Acquisition will serve to create a heightened level of operating efficiency and expanded service offerings which generally will serve to enhance the overall capacity of the combined companies to compete in the marketplace and to provide telecommunications services for customers in this state at competitive rates.

Enclosed please find an original and thirteen (13) copies of the referenced Application. Also enclosed is a check in the amount of \$25.00 to cover the cost of the filing. Please date stamp and return the additional copy in the envelope provided.

Thank you very much for your assistance with this matter.

Respectfully submitted,



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EllenAnn G. Sands  
Nowalsky, Bronston & Gothard, APLLC  
3500 North Causeway Boulevard, Suite 1442  
Metairie, Louisiana 70002  
Telephone: (504) 832-1984  
Counsel for LS Communications, Inc. and  
Columbia Telecommunications, Inc. d/b/a  
Axessa